

WHERE'S YOUR PLAN, MR.
PRESIDENT?

(Mr. FLEMING asked and was given permission to address the House for 1 minute.)

Mr. FLEMING. Mr. Speaker, just moments ago this body passed the Cut, Cap, and Balance bill. Today we stand at a crossroads that will define our Nation's financial security for generations. Republicans, we have a plan that cuts the Federal budget, caps Federal spending, and balances the Federal budget with a constitutional amendment so we do not have this problem in perpetuity.

Democrats, well, there is no plan, no plan to bring this country back to financial sanity. Yet my colleagues on the left continue to criticize the House Republican plan. In all the time my colleagues on the Democrat side have been attacking the House Republican plan, they could have come up with one of their own. Even the President talks about his plan; yet he has yet to produce one. This shows once again a complete failure of leadership by President Obama and congressional Democrats.

The American people spoke loudly and clearly in the 2010 elections: They want Federal spending cut. It's that simple. Let's follow through and not let the American people down.

REMEMBERING JAMES T. MOLLOY

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, it is my sad duty to report the passing of a former officer of this House, doorkeeper James T. Molloy.

Jim, as he was known to so many, served as doorkeeper for 20 years, when I first came to Congress from 1974 to 1994. He was known throughout the world for his distinctive introduction of the President and heads of State to Congress. He is the one who would always yell: Ladies and gentlemen, the President of the United States.

Jim, a native of Buffalo, New York, was a graduate of Canisius College and worked as a fireman and schoolteacher before coming to Washington at the invitation of Congressman John Rooney of New York. He leaves his beloved wife, Roseann, and his daughter, Amy.

We will all miss him. We all remember him, and we all loved him.

HONORING NORTH DAKOTA SENATE MAJORITY LEADER BOB STENEHJEM

(Mr. BERG asked and was given permission to address the House for 1 minute.)

Mr. BERG. Mr. Speaker, today I would like to honor a statesman and my good friend, Senator Bob Stenehjem, who passed away yesterday in a tragic car accident.

Bob served as the Senate majority leader in North Dakota for 10 years, and he worked incredibly hard for the State that he loved, and he worked through a system that he believed in called the legislative process. He was respected and admired by those of us who served alongside him in the State legislature.

And his tireless legislative work is one of the reasons North Dakota is doing so well today. As Bob would say: We are the envy of the Nation.

It hurts knowing my friend is gone, and I ask that we all keep his wife, Kathy, and the Stenehjem family in our thoughts and prayers.

North Dakota has lost a wonderful public servant. But I know that Bob's character and beliefs will continue through his policy and prosperity for years to come.

I will miss Bob very much.

AMERICANS LOSE WITH PASSAGE
OF CUT, CAP, AND BALANCE

(Ms. JACKSON LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON LEE of Texas. Mr. Speaker, I just heard celebration just a few minutes ago regarding the passage of the Cut, Cap, and Balance that really should be named the Tap Dance, Establishing the Losers Club for Americans, and the Busting of Benefits for Americans bill, because what we are doing is tap dancing around the responsibility of this Congress to in fact raise the debt limit as we have done 60 times.

And, of course, we are establishing losers by the very fact that interest rates will go up, Social Security and other benefits, Medicare what we are, U.S. credit will be downgraded and the Chamber of Commerce and hundreds of businesses will in fact be begging for us to lift the debt ceiling.

But, more importantly, we will cause America's lack of paying her bills to hurt families and businesses. And let me introduce you to the losers. Now that this bill has passed, welcome to the losers: soldiers and their families, their grandparents and mothers and fathers who are back here in this country while they are on the front lines in Iraq and Afghanistan.

Today we just voted H.R. 2650 to in fact establish a club of losers for these patriots who have served their country. What a shame. What a shame.

TIME FOR WASHINGTON TO LIVE
WITHIN ITS MEANS

(Mr. SCALISE asked and was given permission to address the House for 1 minute.)

Mr. SCALISE. Mr. Speaker, tonight the House finally passed a real plan that addresses this Nation's spending crisis.

I think many American families out there already know that Washington

has had a spending problem, because they have been living within their means for a long time. They have been sitting around the kitchen table figuring out how to make do with what they have got. And yet in Washington, it seems like liberal leadership over here wants to ignore the problem.

We have passed a plan today in the House with Cut, Cap, and Balance that controls spending in Washington and puts us on a path to a balanced budget.

And what's the President's plan? We have still yet to hear his plan. All we hear are speeches and class warfare where the President tries to pit one group of Americans against another, as if corporate jet owners and millionaires and billionaires can solve the problem. If he confiscated every single dollar they have, it wouldn't address the problem.

Now it is time to get real. If the President wants to get serious about addressing the spending problems in this Nation, it is time for him to confront what Cut, Cap, and Balance really does, and that is to finally tell Washington it is time to start living within your means, just like families across this country have been doing for years.

□ 2040

MEDICARE UNDER ATTACK

The SPEAKER pro tempore (Mr. STUTZMAN). Under the Speaker's announced policy of January 5, 2011, the gentleman from New York (Mr. TONKO) is recognized for half the remaining time until 10 p.m. as the designee of the minority leader.

Mr. TONKO. Thank you, Mr. Speaker.

It is our pleasure during the next 40-or-so minutes to express concerns about a Medicare program that has served this Nation's seniors so very well for 45 years and is at risk of being ended.

Tonight, we witnessed on this floor the third such vote to end Medicare by the Republican majority. We know that our seniors would be forced to shop in a private market. The certainty of a guaranteed program that has been available to our Nation's seniors since 1966 is at risk. The money that the government would kick in for coverage would not keep pace with the costs for those health care policies, and so our seniors would be forced to dig into their pockets, reach into those pockets and perhaps have their costs, their contributions, more than doubled. This is an unnecessary step that is being taken against our Nation's seniors that is irresponsible.

We believe that what we have seen since that threshold in time in 1965 when we approved such a measure, the impact from the private sector health care industry has witnessed a growth of over 5,000 percent in the cost of premiums in that time since 1965. The impact on seniors has been certainly far

less than that. We have seen the containing of administrative costs, we avoid marketing requirements with the Medicare program, and we have been able to share benefits with our Nation's seniors in a way that protected their health care coverage, that enabled them to enjoy a quality of life.

It can easily be documented that when our Nation's seniors retired back in the sixties, they would see their economic durability challenged. Their strength, their economic opportunity to grow forward into retirement was oftentimes impacted by the cost of medical needs. There was cherry-picking going on, there were opportunities that were denied our Nation's seniors, and they were asked to absorb an inordinate amount of pressure in order to continue forward in soundness, in wellness and certainly to have the coverage that was required to meet their health care needs.

All of this now is at risk with several proposals. We've seen a Ryan plan, a budget that Republicans produced. The Ryan Road to Ruin, as we've designated it, would cause severe hardship on our Nation's seniors. We saw the Republican Study Committee come up with a vote that again ended Medicare. And today, when we witnessed this attempt to play with the United States Constitution, to make it very easy to end Medicare while making it even more difficult to address those deep pockets that get favorable treatment by some go continuing on because it would be more difficult to end that opportunity.

So what we have here tonight is an opportunity to discuss the assault on America's working families, the assault on her seniors, the Nation's seniors, by ending Medicare, ending Medicare that puts the private sector insurance industry in control. They put them in the driver's seat, they require our seniors to shop with a voucher that won't nearly cover the cost of those premiums, and, again, require them to pay double as we go forward.

We are joined by Representative GARAMENDI from California here this evening and Representative JOE COURTNEY from Connecticut. The three of us will share thoughts about how to better address the economic pressures on this Nation today without ending Medicare. It has been a lifesaver for so many of our Nation's seniors and has provided a sense of security, of predictability in their budgeting as they go forward in retirement years.

Representative JOHN GARAMENDI from California, thank you for joining us this evening. You witnessed it here tonight, as Mr. COURTNEY and I both did, Representative COURTNEY from Connecticut and I, witnessed yet another vote that would mean the end for Medicare, because it's an attempt to play with the Constitution, mess with our Constitution in a way that would really focus on hardship for our Nation's seniors.

Mr. GARAMENDI. Thank you very much, Representative TONKO. Thank

you for bringing this issue alive this evening and for giving us this time to discuss this.

Many, many thoughts went through my mind today as this vote and the debate went along. As it was debated by our Republican colleagues, I just couldn't understand where they were coming from. What would motivate them to want to destroy Medicare? And Medicaid? Why would they do that? The thoughts just reeled through my mind, and I'm going, I guess maybe they had had a different experience than I did.

I was a young boy in the 1950s, and there was no Medicare, and there was no Medicaid. My father was a rancher. We grew up in a ranching area up in the foothills of California, in the Mother Lode Gold Country. He took me one day to the county hospital. It was one of the most horrible moments I can remember as a child, because the wards, there was just a ward, maybe 20 or 30 very elderly men, and then on the other side elderly women, who were dying. Their medical care wasn't available to them.

Sometime later, maybe another month after that, we were out chasing cattle that had gotten loose—I was just a young man—and one of our neighbors, we came upon the neighbor and asked where the cattle might be, and he said they were down that way. He had this huge growth on his mouth, and my dad asked about that, and he said, it's cancer. He had no insurance. He had no care. He was probably 70, 75, 80 years old. He died shortly thereafter.

In 1965, this country did a remarkable, beautiful, wonderful thing. We gave to every senior in America medical care, doctor and hospital care, the opportunity to live longer, to have that cancer treated, to eliminate those wards in the county hospital where people simply were warehoused to die. And here today, for the third time since January of this year, the Republicans have put forth a proposal—and hopefully it will never become law—to terminate Medicare.

Have no doubt about it, Mr. TONKO, they would terminate Medicare. As you said, they would turn it over to the private insurance companies, with a voucher, insufficient to pay for medical care insurance from an insurance company today. The discrimination that exists in insurance for people with pre-existing conditions, and the paramount preexisting condition in America is age. If you're 55, 60, 65, you have a pre-existing condition. It's called age. What will come of those people?

What is this Nation all about? Who are we as Americans? Who are we as Americans that on this floor in a charade, in a falsehood, brought to America today, and twice previously, legislation that doesn't deal with the fundamental issues of the budget, the tax issues, the revenue side of it, real reform in the programs, whether it's Medicare or the military. Real reforms. No, no, no. Just cut, slash, burn, and take your seniors, toss them aside.

This is not the America that I want to live in. This is the America of the 1950s when there was no Medicare and when seniors were in wards left to die, or in no care at all. Every American 65 years of age is guaranteed a comprehensive health care benefit. It's called Medicare. Whatever else we stand for, that's where the Democrats stand. We will fight this fight. We will not lose this fight.

□ 2050

This is about the very heart and soul of this Nation.

Mr. TONKO, thank you for these moments.

Mr. TONKO. I think it's important for us to share with the American public what's happening on this floor in the House of Representatives. So many suggest that the history that drove Medicare to be developed, the dynamics that were so impacting on the senior community across this country coast-to-coast, could be revisited if their proposal to end Medicare—the Republican proposal to end Medicare—were to take hold. And I know Representative COURTNEY, JOE COURTNEY from Connecticut, understands that. He has shared those concerns over and over again, that we could go back and revisit history of 45 years ago, 46 years ago, when people literally were impacted by cherry-picking going on, where they couldn't afford policies even if they were offered to them, and many times they couldn't get policies written to cover them.

Representative COURTNEY, thank you for joining us this evening on what is an important bit of information exchange for America. They need to know that the seniors are at risk.

Mr. COURTNEY. Thank you, Mr. TONKO.

I want to thank Congressman GARAMENDI, who did great service as the insurance commissioner in the State of California. He understands these issues intimately.

I think this is really a generational gut check for our country in terms of whether or not this attempt to butcher Medicare, one of the most successful programs in American and world history, is going to succeed or not. John described very powerfully the public wards in the public hospitals and the third-tier status that seniors had prior to 1965. Kaiser Permanente actually did a study in terms of just reminding us of what this country faced when President Johnson signed that legislation on Harry Truman's porch step. At the time Medicare passed, only 50 percent of seniors over 65 in America had health insurance of any sort whatsoever. Part of it was class. Part of it was the underwriting rules. But part of it is, just as Mr. GARAMENDI said, age is a factor which carries risk. And there is no insurance company that evaluates risk within its own book of business that can really take all comers when you're talking about a population of 65 and up. Life expectancy was 70 in 1965.

So we passed Medicare, and what happened is we created a guaranteed benefit. The genius of Medicare is that we pooled the risk, and we actually made an affordable system financed through payroll taxes, premiums. The system has had its ups and downs financially over the past 45 years. The fact of the matter is we now have a life expectancy of 78 in this country. It has worked. We have also alleviated the crushing out-of-pocket costs that seniors faced in 1965, and we have elevated the status of people in that demographic in a way that the private insurance market just was totally incapable of doing it.

Last year, we passed the Affordable Care Act, which modified Medicare and made some important improvements and changes. We now have annual checkups covered. We now have cancer screenings. We now have extended prescription drug benefits. And one of the things that the Republicans claim, in trying to sell this measure with snake oil, frankly, is that somehow people who are 55 and above today will not be affected by the passage of the Ryan plan. In fact, we know that if you look at that plan, it cancels all of those new benefits in year one.

So seniors who now—hundreds of thousands—have gotten their annual checkups in the last 8 or 9 months since the new benefit kicked in, cancer screenings that kicked in, prescription drug assistance that's now providing health for seniors in the doughnut hole, all of that would be canceled today, and any prospective change that is proposed in this system, which again, starting for individuals 55 and under, now will be left in a private insurance market with a totally inadequate voucher, as Mr. GARAMENDI said. Again, that's where the real butchering of Medicare takes place. But there is no question for anyone who's listening tonight that if you are a senior citizen on Medicare, the false claim that you are somehow insulated from this measure because of the fact that you're already in the program, that is something that people have got to recognize and understand. That new benefits that are making this a smarter, more effective program are going to be canceled in year one if this measure, God forbid, ever is enacted.

Mr. TONKO. Very well said, Representative COURTNEY.

What I think upsets all three of us is the fact that, with the Affordable Care Act, where we found savings by reining in some of the profit margins of insurance companies that were used—those savings were used to fill the doughnut hole that you just talked about—they're now taking those savings and sharing them in a way that's not going to benefit seniors, and they're not going to fill that doughnut hole. So when seniors come to us and say, Look, what is this talk about Medicare? they're saying, You destroyed Medicare. No. We were working to make it stronger. We're working to fill the

doughnut hole so that prescription costs that are impacting seniors—my gosh, with the passage of time, we have seen advancements in pharmaceutical research that provides more opportunity for wellness or for cure. That has stretched opportunities galore for our seniors. But they would raid those savings and pull them away again from our senior community and use those in other ways, which we find very offensive.

This ending of Medicare with this third vote tonight, how much more do we need to challenge the security of seniors out there? They're disturbed every time they hear of this effort to end Medicare. We want to make it stronger. We're talking about all sorts of efforts to bulk purchase pharmaceuticals for the Medicare program, which would make it stronger. They forecast \$156 billion or \$157 billion of savings to the Federal Government that would provide correspondingly some \$27 billion in savings for individual seniors just by doing that.

So there's an all-out effort here to strengthen Medicare, not to end it. And it's sad that tonight we witnessed the third vote cast here, with the majority's support so that it passed in the House, to move forward and include in that packaging the ending of Medicare.

Representative GARAMENDI, you have a chart up there.

Mr. GARAMENDI. I have this chart. We've used it before as we've discussed Medicare. It brings this whole thing right into focus. This is a tombstone. Medicare, 1966–2011. Created by LBJ. Destroyed by the GOP. It may be a little harsh, but this is really the reality of what is going on here. It's the end of Medicare as we know it. It's the end of the guaranteed benefit program, and it does turn everyone who is 55 years and younger over to the insurance industry.

I spoke to this briefly before—and Mr. COURTNEY, thank you for reminding me that I was the insurance commissioner in California for 8 years. I fought tooth and nail with the insurance industry over health care and automobile and homeowner and other kinds of insurance. In the health care sector, the private health insurance companies are about profit. That's their goal. They are profit-making organizations. And to enhance their profits, they do a variety of things. Deny coverage. You've got a policy? Oh, but that was a preexisting condition, and therefore we're not going to cover it. Or, gee, that kind of treatment is not covered.

There was a lot of talk about death panels. I'll tell you where the death panel is—and I saw this as insurance commissioner. I saw insurance companies denying treatment that led to the death of numerous individuals over those 8 years. The real death panels have been the private insurance companies. In Medicare, I know of no case where that has happened. Maybe it did, but I'm unaware of it, and I had the

biggest State—California. Also, there is this kind of discrimination that takes place.

Let me just put this additionally to it. The private health insurance company is grossly inefficient. It is inefficient. It has enormous additional costs that Medicare does not have. By comparison, Medicare is a very efficient operation. It takes about 2 percent to raise the money and another, maybe, 2 or 3 percent to pay the bills and, on the provider side, maybe another 10 percent to do the billing also. Maybe the total cost is somewhere at about 15 percent in administrative costs. The private insurance companies run somewhere near 30 percent in administrative costs when you consider profit, when you consider the advertising, sales commissions. And they have thousands of different policies covering this, but not covering that, this deductible, that deductible. And when it gets to the provider, the ultimate chaos. So the administrative cost in the private system is about twice what it is in Medicare. Medicare is a very efficient, very effective, universal program that raises the money in a very fair way.

□ 2100

All of us pay for it, and all of us should be getting that benefit when we get to be 65—but not so in the private sector. Our Republican colleagues want to take all of this money and hand it over to the private insurance market and say, "Okay. You guys take care of it." It's less efficient. It's certainly deadly in denying coverage and benefits. Just compared to Medicare, it's very inefficient.

Mr. TONKO. Representative GARAMENDI, earlier you had talked about the impact on the 55-year-old or 54-year-old. If you look at a 54-year-old today, that individual is advised to save some \$182,000 to \$190,000 so as to have that available cash to cover the deficiency that's going to come with this end to Medicare, where you shop with this voucher, and it's only going to cover 32 cents on the dollar. So that 54-year-old is already impacted, but there is more to the picture than that.

When you draw the line in the sand and say, "look, we end Medicare, and so those under 55 today will have to fend for themselves," they'll shop out in the private sector market, but when you don't have the newly entering senior community as they turn 65 enter into the mix, there is a correlation of age with the drawdown of the health care system. As you take the younger senior population, they provide for that ebb and flow within the pooling that Representative COURTNEY talked about earlier. The beauty of the program is that you pool seniors from the very youngest of seniors to "senior" seniors, and as that need for health care grows with age, the newly entering help provide that balance. So the

stability of the program and the durability of that program is at risk, I believe, because we're changing the dynamics.

Representative COURTNEY, you have talked about the security of that program, of the stability that we can provide, and how we in this House, as Democrats, have been working to strengthen the Medicare program: to build the trust fund so that there is this underpinning of support that will enable the program to continue to meet the needs of the upcoming population of baby boomers.

Mr. COURTNEY. Right, and thank you.

Because there was so much, almost, fear language surrounding this debate in terms of whether Medicare is bankrupt, whether Medicare is going broke, whether Medicare is running out of money, it's important for people to go back and read the trustees' report, which was just issued a few weeks ago. It is a report that is issued on an annual basis. It has been since 1966 when Harry Truman was the first Medicare beneficiary to sign up for the program with his wife, Bess; but it has had its ups-and-downs over the years.

The report that just came out said that Medicare is fully solvent, can pay all of its bills through 2024 and that it can pay 90 percent of its bills through 2045.

Now, there is no question that, compared to last year's report, there was some deterioration in terms of that projection, but the trustees were careful to point out the fact that that slippage in terms of some of the years of lost solvency was due to the economy and due to payroll tax collection. It had nothing to do with overuse or certainly nothing to do with the Affordable Care Act. In fact, they said the opposite, which was that the Affordable Care Act actually extended the solvency of the Medicare program by a factor of 8 years. Thank God we had passed that legislation, because we really would almost be bumping up into a cliff at this point if we hadn't done it.

But again, I think it's important for people to remember that, going back in time to 1970, the Medicare solvency report that came out for the trustees projected 2 years of solvency as to when it was going to hit that tipping point. When Ronald Reagan was President in 1983 and came to the Congress, seeking an increase in the debt limit to avoid default, Medicare solvency was half of what it is today. So the fact is that it has had its challenges.

As you point out, there are good ideas about using bulk purchasing, and there are good ideas about revisiting the subsidized insurance program in terms of the size of the insurance company subsidies. We can deal with that 10 percent shortfall between 2024 and 2045 without butchering the program. That really is, in my opinion, the wolf in sheep's clothing surrounding this debate in that somehow people are using

solvency reports as an excuse to basically eliminate the guaranteed benefit.

Again, it is our duty as Members of Congress to make sure that we protect for the next generation the benefit that our parents enjoyed and that pushed out solvency from age 70 in 1965 to age 78 today. That is a Medicare success, and we cannot go backwards as a Nation.

Mr. GARAMENDI. Mr. COURTNEY, thank you for pointing out that very, very important fact that seems to have been totally overlooked in today's debate, at least by our Republican colleagues.

There is another factor here, and that is that Medicare, like all medical services across the United States, whether you are in Kaiser or in Blue Cross, Anthem or Medicare—all of these programs are carried along on the inflationary wave in health care, which actually runs two or three times the general inflation of our economy. So health care is growing very, very rapidly overall. It turns out that the inflation rate in Medicare is about one half the inflation rate in the general health care system. Now, if Medicare is part of the health care system and takes care of the most expensive part of the population, how is it that Medicare is not inflating—the costs are not going up—as fast as the costs are in the private health insurance sector?

The reason is, as I discussed before, Medicare is very efficient. It is a very, very efficient program: a universal benefit across the Nation, uniform; clear deductibles, clear co-pays; and in Medicare part B, cost sharing. All of that is there and it's understood. The private insurance has 1,000 different policies—chaos throughout the marketplace.

Now, we've talked about this a little bit. We really need to have Americans understand that the Affordable Health Care Act had a whole series of very, very important legislative activities that will reduce the overall cost of health care.

An example is electronic medical records, not written records by a doctor or a nurse—either legible or illegible, stacked in a great big stack of papers—and all of us have seen those. Electronic medical records. It's a very, very important way to reduce problems, to reduce misunderstandings, a back-and-forth with drugs and the like.

Another very important factor is hospital infection rates. Hospitals have a very high infection rate, and don't get paid a second time for retreating the original illness when that person comes in. It has a very, very important impact on reducing the cost of medical services. There were many other things you talked about—the drug benefit.

By the way, how is it that during the Bush period when the Medicare part D, the drug benefit, went into place that the pharmaceutical industry was so powerful that they denied American taxpayers the opportunity for the government to negotiate for the price of drugs?

Mr. TONKO, you raised that point. To this day, we've not had our Republican colleagues come along and say, "Oh, yeah. There's a good way to save money. We'll just negotiate for the drugs." It turns out, as to the military and the health care services provided by it, they can negotiate for drugs, but Medicare cannot.

So it costs us, you said, \$150 billion over 10 years. Is that the number you came up with?

Mr. TONKO. I believe it's \$157 billion, right. It's a benefit that ought to be shared on behalf of our Nation's seniors.

To the points made earlier in this discussion as to the efforts for prevention, for screenings, that do not require co-payments or deductibles—the annual checkups—these are all elements that were introduced and imbedded into our reform package to contain costs, to bend that cost curve.

The real concern that so many have raised from the Democratic membership in this House is that we're not providing the sorts of savings for our seniors, that we're not bending that cost curve. When you send them out to shop and don't even give them adequate coverage—32 cents—and then the indexing into the future is not keeping pace with the projected inflation of health care costs, we're putting them at risk. We're targeting them for defeat. They're saying, Well, you're going to have 13 or 15 plans from which to choose as you shop in the open market.—That isn't bending the cost curve.

So the economic consequences here are, first and foremost, the hardship that seniors will have to embrace, that they'll have to endure. Then also, when we look back at 1966 and 1965, the available cash—the economic vitality of a senior household—was drained. It went south because medical costs were usurping their retirement funds.

□ 2110

Think of it. Those dollars not only help provide stability and security for our Nation's seniors, but that's available cash that they can use to perhaps have a meal out at a restaurant in their local community. There are dollars that are made available that get spun into the regional economy that allow for the comeback. So this is very interesting.

The programs, the cuts that they're suggesting, are all in areas that can help create jobs and improve economic viability.

Mr. COURTNEY. We had a town hall meeting in my district, talking about the Medicare program. We had Dr. Rebecca Andrews—she's a primary care doc at the University of Connecticut Health Center—and she was talking about the new annual screening coverage where she had one of her patients who was kind of a big husky guy, kind of. They used to kind of razz each other. But she had 45 minutes with him. She did the soup-to-nuts checkup.

She ordered a urine test, which she normally wouldn't with the old system. She found a tiny, microscopic spec of blood, or they did at the lab, which they were a little concerned about. She called him back in, did a follow-up. It turned out he had bladder cancer.

Because they were able to detect it so quickly because of that annual checkup and the cancer screening tests that are now covered under Medicare, it was a day surgery, in and out, a really very nonintrusive event that cost a fraction of what it would have been if he had not had that checkup to detect that cancer early. And she had at least two other patients, because of the new Affordable Care Act annual checkup, where they detected cancer and again were able to intervene at a low cost compared to what it would have been if it had been a full-blown case.

Mr. TONKO. Representative COURTNEY, I think what we're talking about here is legitimate reform in a way that bends that cost curve and takes a sound economic program like Medicare for our Nation's seniors and allows for that benefit and pulls the resources from coast to coast to serve our Nation's seniors well.

The concern here is, Representative GARAMENDI, they want to give their friends with deep pockets more opportunity for business. End Medicare to provide more business for the private sector insurance industry. Privatize Social Security, right?

Mr. GARAMENDI. It was the bill they introduced.

Mr. TONKO. I think you have a chart there that talks about another special interest.

Mr. GARAMENDI. Before we go to this other issue—and we've got another 7 or 8 minutes here—another major program that is targeted by our Republican friends is Medicaid. Medicaid is a program for impoverished Americans. Seventy percent of Medicaid is for seniors and nursing homes. They want to take some \$700 billion out of Medicaid. In California, that's called MediCal, but in each State they have their own program. But \$700 billion goes directly to seniors that are in nursing homes. What will come of those people that are now in nursing homes when this program, Medicaid, is reduced as proposed in the budget that was passed today?

But, having said that, let's turn to the other side of the coin.

You want to make cuts, but do you want to cut Medicare? Do you want to cut Medicaid?—or do you want to cut the subsidies that exist in American business today?

This is just one of hundreds of subsidies, tax breaks, given to American businesses that they don't need.

Big Oil receives my tax money, your tax money, and the American taxpayers' money to the tune of—I don't know—\$5 billion, \$6 billion, \$7 billion a year. Yet look at their profits. Look at their profits here. This is just 1 year. You add up these profits over the last

decade. Exxon last year, \$10 billion; Conoco \$2.1 billion; Chevron, \$6 billion; BP, infamous BP, \$7.2 billion. Yet they receive our tax subsidies. You take this and you apply it over the last decade, and it is just \$950 billion of profit—\$50 billion less than a trillion dollars of profit.

And yet defending the oil companies are our Republican colleagues, saying no, no, no. You can't touch Big Oil. You can't take away their tax subsidies, but you can surely go after seniors and take \$6,000 out of the pocket of every senior with this Medicare program.

Mr. TONKO. It's very obvious from the polls being taken by many, many organizations out there that the American public said it's about jobs. We need jobs in the economy in order to make things work. It will reduce the deficit. It will put people to work. It will start growing the economic engine of neighborhoods and States and the entire country.

But what we're seeing is that there's this Republican assault on the middle class. They're cutting programs that serve the middle class. They're cutting programs that create jobs and invest in a new economy. But they're leaving alone these groups that are actually not—they're earning record profits, and we're still giving them hard-earned taxpayer dollars in the form of handouts and subsidies to the oil industry, to various industries that are just befriended by those in the House that want to play off the middle class and end Medicare, which is a very dangerous precedent that will be set.

Representative GARAMENDI, you wanted to make a point.

Mr. GARAMENDI. Mr. COURTNEY just pointed back to me. I was going to pass it to him.

We just talked about Big Oil, the subsidies to Big Oil that are being protected by our Republican colleagues, making sure that Big Oil gets their money. That's not the only thing.

They are fiercely fighting, fighting fiercely to maintain the Bush-era tax cuts for the superwealthy. We're talking about millionaires.

So what does it mean for millionaires to hang on to that tax cut that occurred in 2003, I believe? For millionaires, that tax cut is worth \$200,000 a year if you have an income of \$1 million. Now, there are folks out there that have incomes of a billion. So you can kind of expand that, add five zeroes. You get close to what it might be for a billionaire, and there are billionaires out there. What does it mean for seniors? It means it's going to cost them some \$6,000 a year in what will be their Medicare costs in the future.

Mr. TONKO. And that's equaling 33 seniors.

Mr. GARAMENDI. Thank you. You read the chart better than I do.

Mr. TONKO. Thirty-three seniors paying \$6,000 more per year. So we're making happy one millionaire and we're economically distressing 33 sen-

iors who are going to pay at least \$6,000 more to have the health care coverage if they, in fact, can get it.

Mr. COURTNEY. If I can just sort of finish, the point is that we were talking about two programs right now that did not create the deficit issue that is facing this country.

We had two massive tax cuts for the super-rich. We have two wars that haven't been paid for and a prescription drug benefit which was passed during the last administration which was never paid for, which we dealt with in the Affordable Care Act to offset that. The Trustees report says that we've got 100 percent solvency through 2024, 90 percent solvency through 2045, and 100 percent solvency for the Social Security system until 2037.

Mr. TONKO. And, Representative COURTNEY, when you talk about all of those costs, they were never put in the budget. They were off-budget. So that meant that those two wars, the pharmaceutical deal for Medicare part D, and the tax breaks for millionaires and billionaires all had to be borrowed money, and so we borrowed from China, Saudi Arabia, all to make it happen.

This was dishonest budgeting, and it was favoring deep pockets over, evidently, seniors. And now the solution? End Medicare, block grant Medicaid, privatize Social Security. This is an assault on middle class values on our Nation's seniors.

Representative GARAMENDI, we'll move to you.

Mr. GARAMENDI. Representative TONKO, thank you so very much for bringing us together tonight to talk about Medicare and the Republican proposal to terminate Medicare and significantly reduce Medicaid programs for seniors in nursing homes.

This is a pivotal moment in this Nation. It really speaks to our values. It speaks to who we are as Americans, who we care for, and what we are concerned about.

Mr. COURTNEY. I'll just say, I'm sure your offices are like mine. This is the number one issue that we're getting calls, emails, and mail on: Are you guys going to stand up and live up to your sacred duty to protect these programs—Medicare, Social Security, and Medicaid—that our middle class depends on?

Mr. TONKO. At least nine of every 10 comments we get either through the mail or on the phone are: Save Medicare. Don't let them mess with it.

We're fighting the good fight here. America needs to know there is a risk of losing Medicare. There are those who want to end it. We saw another vote here tonight.

With that, I yield back the balance of my time.

□ 2120

TAX LOOPHOLES, EXEMPTIONS,
AND DEDUCTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Arkansas (Mr. GRIFFIN) is recognized for the remaining time until 10 p.m. as the designee of the majority leader.

Mr. GRIFFIN of Arkansas. Mr. Speaker, I have been listening to some of the speeches here tonight, and I thought I would take a little time to address some of the arguments. But first I would like to just welcome my friend from Wisconsin, Representative DUFFY, who joins me here on the floor tonight.

I've been listening, first and foremost, to the discussion of tax loopholes, tax exemptions, deductions. Specifically, I heard a lot of talk about tax deductions for oil companies. Well, I'm glad that the gentleman from the other side raised that tonight because I was thinking, and before I got here in January, for the last 2 years, this House was controlled by Speaker PELOSI and the other side of the aisle. The Senate, down the way here, is controlled by the same party, and the White House, President Obama. Now, if my math is correct, that means that Democrats were in control of the House; they were in control of the Senate; and they were in control of the White House.

Now, Mr. Speaker, it puzzles me that they were in control of all of those parts of government, yet not once did they eliminate these subsidies that they're talking about. They had control of the last Congress, 2 years, and nothing was done. I guess they decided only this year that subsidies for U.S. businesses should be eliminated.

Well, I'm not sure why they didn't do anything about that in the last Congress, but I will say that I am pleased that they understand the House budget that we passed because in our House budget that we passed a few months ago, that's exactly what we voted to do. We voted for a framework that eliminates tax deductions, tax exemptions, credits, loopholes, whatever you want to call them. That's what our budget does. And in doing so, we're following some of the proposals put forth by the President's own debt commission, a debt commission that he has yet to follow; but they recommended some similar proposals.

What we do is we lower the top rate and eliminate a bunch of the deductions that, admittedly, upper income folks take. So we eliminate those. But at the same time, we lower the top rate so that we can be more competitive, and we can have a pro-growth, pro-jobs Tax Code. So what we end up with is a fairer, flatter Tax Code, one that encourages private sector job creation.

You might ask, Mr. Speaker, Well, then, why do you disagree with the President on this particular issue? Well, like I said, we're happy that he's decided to come our way and that he

sees the light on tax reform and closing loopholes.

The reason the House leadership is opposed to the President's posture on this in the debt ceiling negotiations is because they want to have their cake and eat it too. The President wants to have his cake and eat it too on this issue. He wants to close all the loopholes, yes; and at the same time, he wants to raise taxes. So he wants to increase taxes two ways; whereas, his own debt commission and our House leadership want to reduce the top rate, close the loopholes so that we have a fairer, flatter, simpler, less complex tax system.

So here's the contrast: we agree on closing the loopholes, although we can't figure out what happened last Congress when the Democrats controlled the House, Senate, and White House and did nothing about it. We did something about it. We approved a budget that addresses precisely this issue. So I just wanted to clarify our position on that.

I see that my friend from Wisconsin would like to say a few words. Please join right in.

Mr. DUFFY. I appreciate the gentleman from Arkansas yielding.

I think you make very powerful arguments as to why our friends on the other side of the aisle were unwilling to get rid of these horrible tax loopholes, because when the two of us got to this House in January, they were here. They were here in a Democrat-controlled House, Senate, and with a Democratic President; and they did nothing to do away with these loopholes. When we got to this House, we said, No more crony capitalism, no more corporate welfare. Let's do away with all of these loopholes, all of these nooks and crannies where some big business will hide their money and not pay their fair share. And we'll restructure our Tax Code to make us more competitive in this global marketplace.

And when we did that, the Democrats said, no, they didn't want to participate in reforming the Tax Code. But then they have no problem standing here today and making arguments that we're the ones that want to keep these loopholes in place. Absolutely false.

I've had a chance to sit in and listen to the debate that's going on in this House. I continually hear my friends across the aisle talk about jobs that are getting shipped overseas. And I've got to tell you, that is a great concern for me. They missed the disconnect, however, between jobs leaving America and the regulation and tax rates that we have in America.

You know, this isn't 1960. It's not 1980. It's not 1990. We are in a new global marketplace. In days gone by, America was the only place really to do business. But now our capital, it can go anywhere in the world. It can go to Thailand, India, Vietnam, Canada, Mexico. It can go anywhere. And when you start raising taxes on our job cre-

ators, and then you sit and scratch your head and wonder why they're leaving, it's pretty obvious.

We see it on a smaller level in our States. When we see more regulation, more taxes in our States, like California, all of a sudden businesses pack up, and they go to another State that has better rules, regulations, and taxes. That happens on a broader scale right here in America. You raise the cost of doing business; you kill jobs in America. And you know what, in the end, does it hurt these businesses? No. The people that it hurts are our constituents, our families, our people in our districts that are yearning for opportunities, yearning for a job. It's those people that this hurts.

Mr. GRIFFIN of Arkansas. I just want to ask the gentleman, what will it take for folks here to start wondering why businesses are leaving the country? It seems as if they always want to point the finger to someone else or some third party, some external cause. Maybe we should think about the fact that the policies adopted by the Federal Government have an impact. Businesses react to policies passed in this Congress, in the Senate, and particularly to regulations drafted, promulgated by the administration.

□ 2130

At some point we have to say wait a minute. Businesses are leaving, taking their jobs elsewhere. Maybe, just maybe, they're doing it because we're running them off. We need to ask that question.

Back in my district, in the Second District of Arkansas, in Little Rock and the surrounding area, I like to say, we've got big job creators and small job creators, but the common denominator is they're job creators.

I don't ask that people like business or be in business or whatever. I just ask that they acknowledge that businesses create jobs. And if we run businesses off, if we adopt policies that curtail economic growth and chase businesses away to other countries, we're going to lose jobs. That's not hard to figure out.

Mr. DUFFY. I would agree with the gentleman. And I think it's interesting, as a guy who's come here from central and northern Wisconsin, Wisconsin's Seventh Congressional District, I see that this is a House that will continually talk about political spin and political positioning instead of actual policies that are going to work for American families and American businesses.

I think it's interesting the President likes to talk about corporate jet loopholes. For me, I think it's important that we're clear. The tax increases that the President and my friends across the aisle in the Democrat Party are talking about, these are tax increases on the small job creators in my district, the ones, the same ones that we are asking to expand and grow and create jobs and put our hardworking families of Wisconsin back to work. It's